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Via Electronic Filing

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Notice of *Ex Parte* Presentation in CC Docket Nos. 96-45 and 01-92

Dear Ms. Dortch:


Robert J. DeBroux, Director, Federal Affairs and Public Policy for TDS Telecom, Kathleen Wallman and I met on June 5, 2008, with Dana Shaffer, Albert Lewis, Jeremy Marcus, Jennifer McKee, Randy Clarke, Deena Shetler, Marcus Maher, Alex Minard and Hannah Anderson of the Wireline Competition Bureau. We discussed the Commission's May 2, 2008, News Release entitled "Interim Cap Clears Path For Comprehensive Reform."

We suggested that adoption of the Missoula Plan submitted in CC Docket No. 01-92 will serve the public interest by addressing issues regarding reform of intercarrier compensation. We discussed the fact that many rural carriers, consistent with applicable rules and regulations, currently recover a significant percentage of their regulated costs from intercarrier compensation in the form of interstate and intrastate access charges. We addressed the desirability of a uniform interconnection rate, as proposed in the Missoula Plan, and noted the resulting decrease in cost recovery for rural carriers that will result from the implementation of access rate reductions.

If intercarrier compensation revenues are decreased for rural carriers, "demand on the Fund increases as offsetting support payments go up," as the Commission recognized in its May 2 News Release. We expressed concern that the necessary continued investment in infrastructure to provide universal service in rural carrier service areas requires a stable predictable and sufficient regulatory framework, as contemplated by Section 254 of the Telecommunications Act of 1996. In this regard we expressed concern with any proposal to

subject rural carrier infrastructure investment to the uncertainties of an auction process applied to the recovery of the network costs incurred by rural carriers in their provision of universal service as carriers of last resort.

Sincerely,

A handwritten signature in black ink, reading "Stephen G. Kraskin". The signature is written in a cursive style with a large, stylized 'S' and 'K'.

Stephen G. Kraskin

Attachments

cc: Dana Shaffer
Randy Clarke
Albert Lewis
Marcus Maher
Jeremy Marcus
Jennifer McKee
Alex Minard
Deena Shetler
Hannah Anderson